ANNUAL REPORT

2012 – 2013

FAMILY MAINTENANCE ENFORCEMENT PROGRAM

October 2013

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FOREWORD

Changing Realities

When looking at the numbers associated with FMEP over the past year, we might conclude that realities are not changing. The total caseload has been pretty static for the last few years. Payments have continued to increase year-over-year. Administrative and court-based enforcement numbers look quite similar from one year to the next.

Under the surface, there are significant changes that suggest realities are changing. Let's have a look at a few examples.

During the 2012-13 program year more than $70 million was paid through the program by electronic payments from paying parents. This is more than a third of the total payments, and represents a changed reality from only a few years ago. These payments, faster and more secure than mailed cheques, are from men and women who put the needs and interests of their children first. The vast majority of these voluntary payments are disbursed quickly and securely to recipients' bank accounts through direct deposit. Even five years ago, these payments would have been subject to a delay of two weeks for mail and bank clearance, and the disbursement process could add another week or more before funds became available for the benefit of children. A process that used to take three weeks or more is often completed in three days or less. Near real-time payment is becoming a reality for many BC families.

Another changing reality is the value of support payments to families. This year we have looked at the percentage of family income that these payments represent by income levels (see page 16). Many families in receipt of support have annual household incomes below $30,000. For these families, support payments provide between 10% and 23% of the total income. Families depend on support payments for the very basic necessities. Each year it is becoming a little more certain that these families will receive payments. Over time, the reality has changed from uncertainty toward certainty of payment.

The role of technology has clearly changed all of our realities. We don't depend upon the reliable and hard-working postal person for our basic communication. We don't rely on the front counter for our service needs. Tech has replaced many aspects of in-person "touch" and this trend will likely increase in the future.

What hasn't changed is the importance of the right personal contact, at the right time, for the right services. We may change the balance points of "tech" and "touch", but they will both remain valued and compatible elements as we serve our clients in the future. Although we measure our impact and success with lots of numbers, we remain very much a "people business".

The staff and partners made the 2012-13 program year a great success for our clients, helping children in BC and elsewhere to have a brighter future.

Chris Beresford
Director of Maintenance Enforcement

1. FMEP Highlights 2012-2013

In 2012–2013 the FMEP reached a new milestone in terms of collections. This marks the 24th straight year of increased collections. Just under $197 million dollars was distributed to British Columbia children and families. Over 83 percent of families enrolled in the Program received child support payments over the year.

Highlights for the year include:

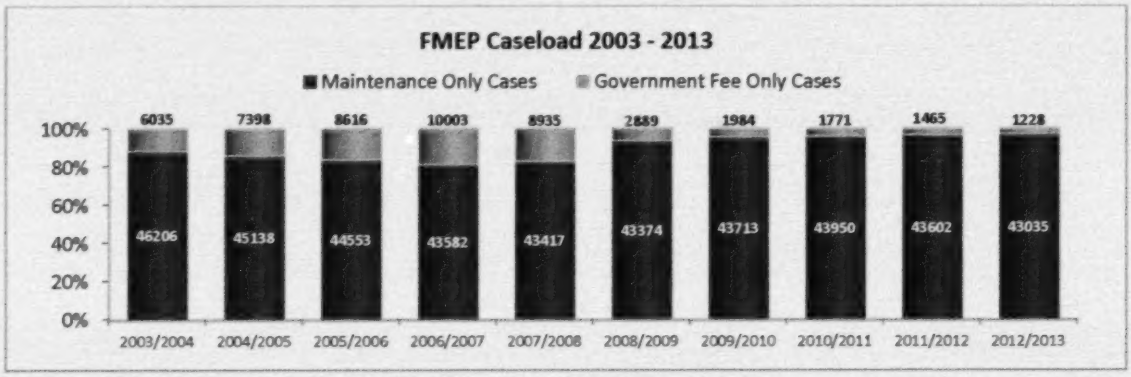
- The FMEP provided support for 63,675 children in 2012-2013. More than half of these children were over age 14 – and almost one quarter were over 19 years of age.
- Total collections of maintenance increased by $6.6 million dollars from 2011-2012 – an increase of just over 3.5 percent.
- The total funds collected and sent to children and families since the launch of the program in 1988 now exceeds $2.8 billion dollars.
- Just under $62 million dollars was distributed to families who are or have been in receipt of income assistance. These are some of the poorest families in the Province, highlighting the importance of child support in improving the lives of children and families.
- 43,035 families were enrolled in the FMEP as of March 31, 2013. Of those, 23,868 families have never been on assistance, 12,580 families were previously on assistance and 6,587 families are currently on assistance.
- The overall caseload declined by just over one percent last year, mostly driven by a reduction in government fee only cases.
- The Ministry of Social Development and Social Innovation caseload (the cases assigned to the Ministry because recipients are in receipt of income assistance) declined for the second straight year – down just over two percent.
- Almost 90 percent of eligible recipients are now signed up to have their maintenance payments directly deposited in a bank account – rather than sent by cheque. This is a significant increase from the 79 percent participation in 2011-2012.
- Many, many payors continue to pay their support voluntarily. $71.4 million dollars was received in 2012-2013 via electronic voluntary direct payments from support payors.

2. FMEP Cases

This section provides an overview of the FMEP caseload – the number of cases enrolled where those cases are located, and a breakdown of the cases by type. We also discuss the caseload composition by type – whether the cases involve parents who receive income assistance, parents who reside outside British Columbia and whether the cases are government fee only cases.

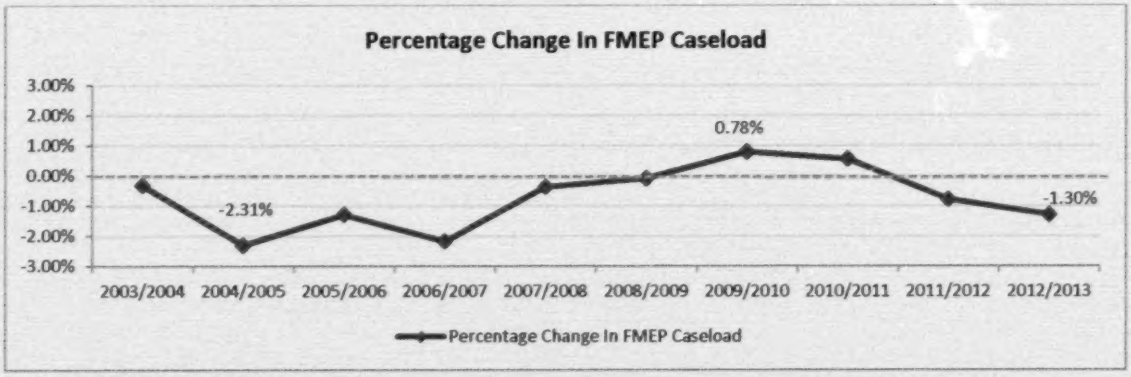
2.2 *Overview*

The overall FMEP caseload has been very stable for the last 10 years, with no major increases or decreases in the number of maintenance cases enrolled in the FMEP. There were 44,263 cases enrolled as of March 31, 2013. The caseload is shown below. The decline in cases has been largely driven by a decrease in the number of government fee only cases.



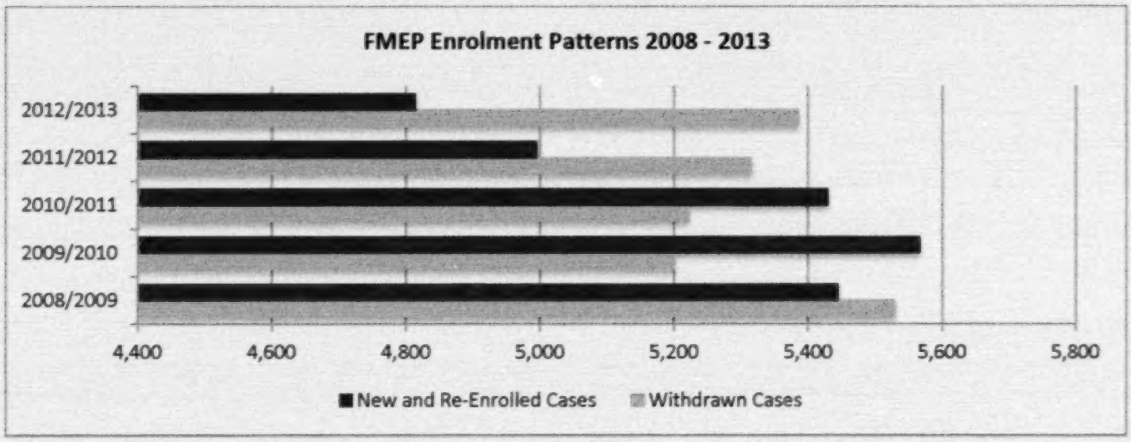
2.3 *Family Support Enforcement Cases*

Over the same time, the number of family support enforcement cases on the FMEP caseload has remained between 43,000 and 46,000 cases. This caseload declined slightly for each of the last two years, by just under one percent in 2011-2012 and just over one percent in 2012-2013. The FMEP ended the 2012-2013 year with 43,035 support enforcement cases.



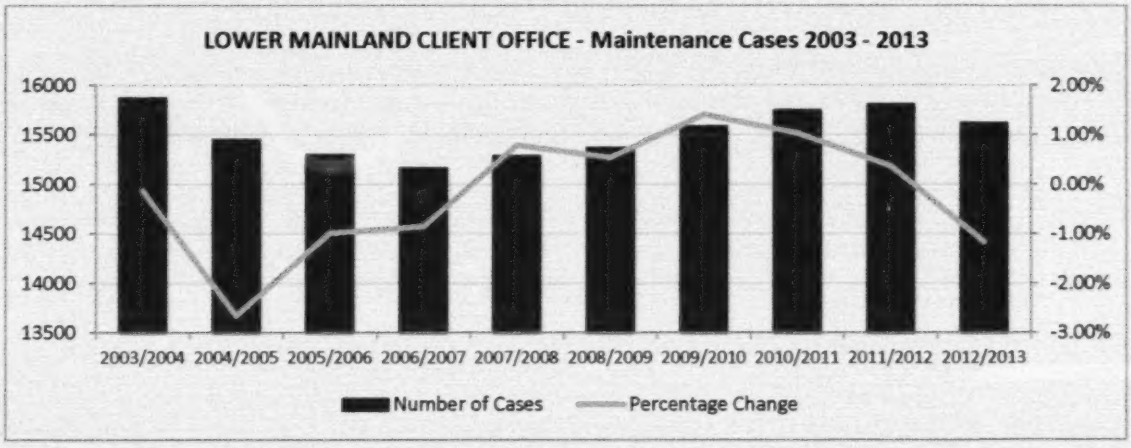
Although the year over year percentage change in the numbers of cases enrolled is small - there is a significant turnover in cases each year. Although 5,300 cases were closed (withdrawn); that number was offset by 4,814 new cases that were opened or re-opened.

The balance between cases that close and the new or reopened cases can be seen in the chart below. This was the second year in a row where the number of closed cases exceeded the number of new enrolments, resulting in an overall caseload reduction.

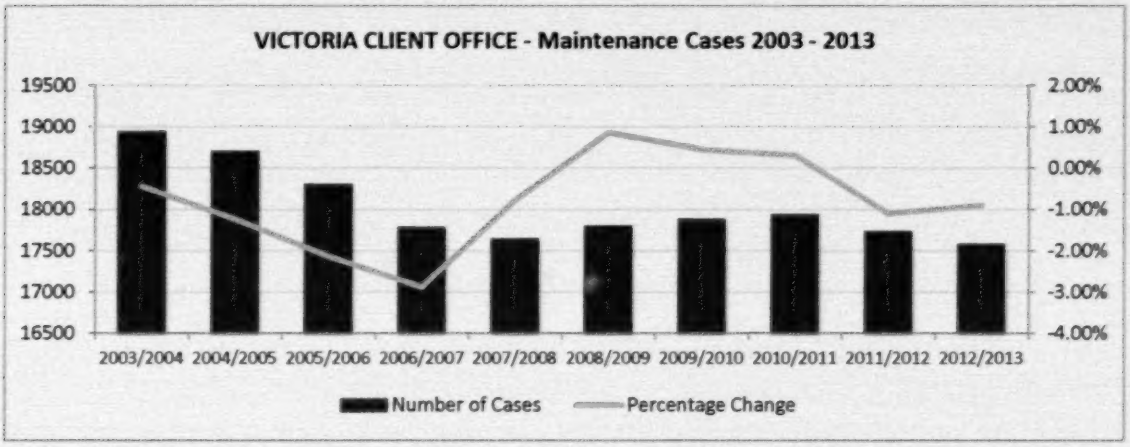


2.4 *Geographic Distribution of Cases*

FMEP cases are divided between FMEP's three regional offices, based on the location of the Court that issued the Court order or agreement. This was the first year since 2006 that the Lower Mainland Client Office saw a decline in the number of cases.

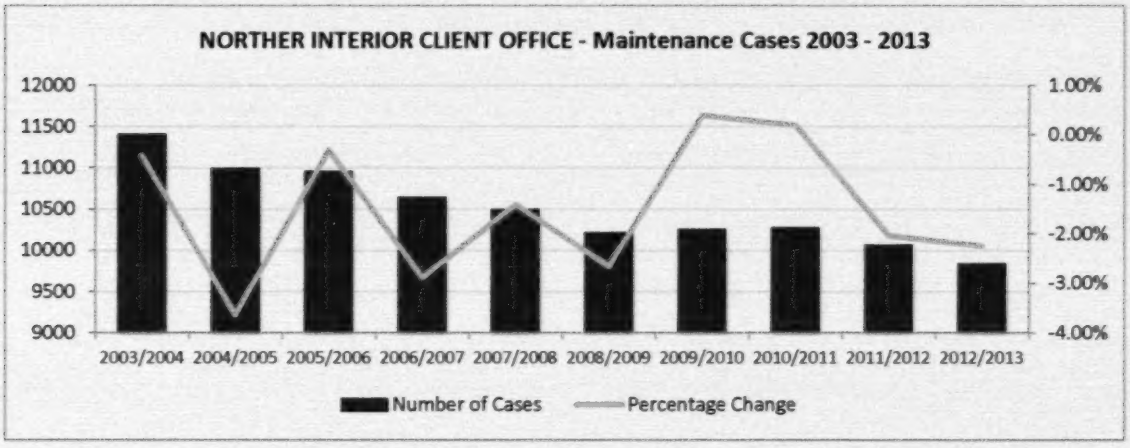


The Victoria Regional Client Office caseload declined by just under one percent in 2012-2013 as noted below.



The caseload in the Northern Interior Client Office in Kamloops declined again last year, losing just over two percent of the caseload. This office has seen a steady decline in eight of the last ten years – resulting in an annualized decline of just under one percent per year.

This caseload reduction is similar to the overall demographic trend in the North and Central interior regions of British Columbia which has seen the number of children and families stablize and then decline over the same period. [1]



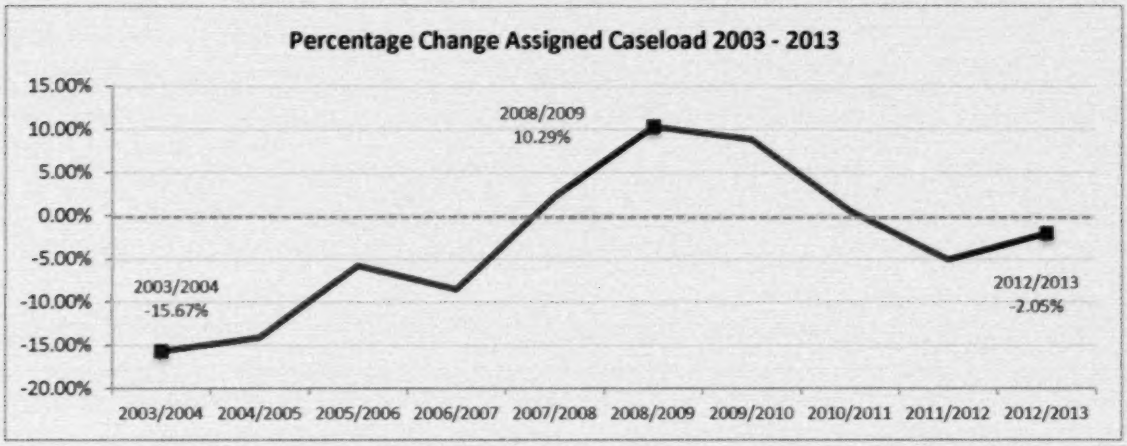
2.5 *Assigned Caseload*

Assigned cases are those cases where the maintenance recipient is in receipt of income assistance from the Ministry of Social Development and Social Innovation. These cases differ from other FMEP cases as a recipient who receives income assistance must enrol his or her maintenance order with the FMEP, as a

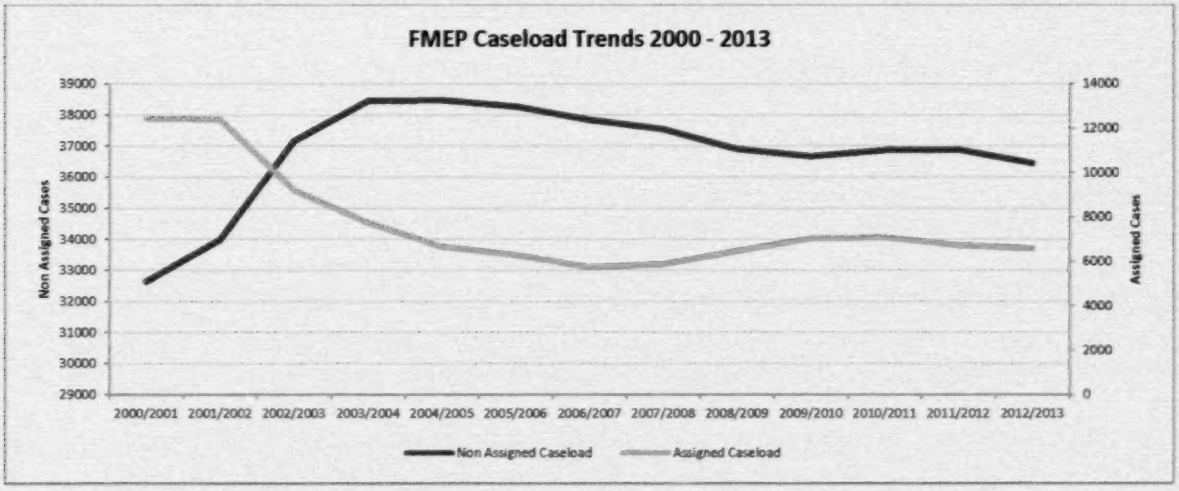
[1] *source: BC Stats - Sub-Provincial Population Projections - P.E.O.P.L.E.*

condition of receiving income assistance. Enrolment in the FMEP by all other maintenance recipients is voluntary.

The assigned caseload has been declining steadily for the past decade as recipients become self-sufficient and move off income assistance. The number of assigned cases dropped for the second consecutive year; the decline this year was slightly over two percent. The figure below shows the changes in the assigned caseload over the last 10 years.



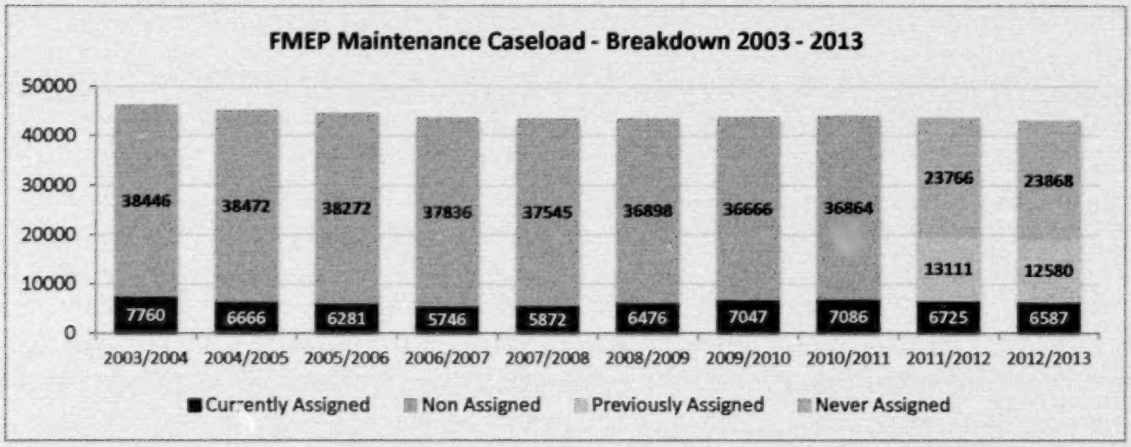
Although the number of assigned cases dropped significantly over the past decade, a large number of these cases that had been assigned to the Ministry chose to stay with the FMEP to ensure the ongoing collection of maintenance. These 'previously assigned' cases make up a significant portion of the FMEP overall caseload, and have ensured that the FMEP caseload remains stable, despite the reduction in assigned cases. The figure below shows this relationship – as the assigned caseload has dropped, the voluntary non-assigned caseload has grown.

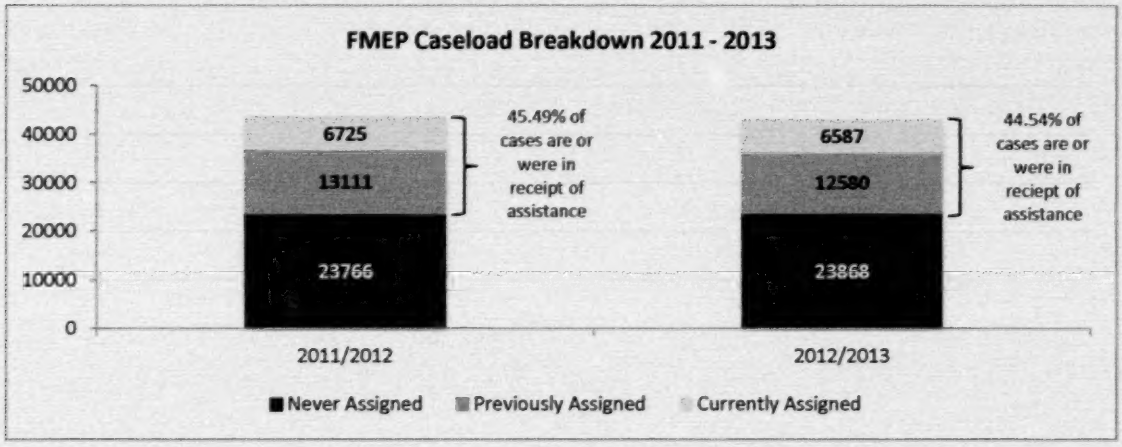


2.6 *Previously Assigned Caseload*

As noted above, the cases where the maintenance recipient has been, at some point, in receipt of income assistance (previously assigned) are an important component of the FMEP caseload. These are cases where the receipt of maintenance has and continues to be an important part of the family income.

The FMEP first began to track these cases in 2011-2012. The size of the previously assigned caseload is shown in the graphs below. Almost 45 percent of FMEP's caseload is made up of the assigned and previously assigned cases.





***Assigned Cases**: Cases where the recipient is currently in receipt of income assistance.*
***Never Assigned Cases**: Cases where the recipient has never been in receipt of income assistance.*
***Previously Assigned Cases**: Cases where the recipient was in receipt of income assistance at some point but is not currently receiving assistance.*

2.7 *Reciprocal Cases*

Reciprocal cases are those maintenance cases where either the support payor or the support recipient resides outside British Columbia. These cases make up a significant part of the FMEP caseload as almost 21 percent of FMEP cases involve a payor or recipient living outside the province. To ensure that support obligations are met, the FMEP has reciprocal arrangements with similar enforcement programs throughout Canada and the United States, as well as arrangements with other countries, to assist in the collection of the family and child support. With the increased mobility of families around the world, these arrangements are critical to ensuring that children and families receive support, no matter where they live. British Columbia's reciprocal partners are shown below.

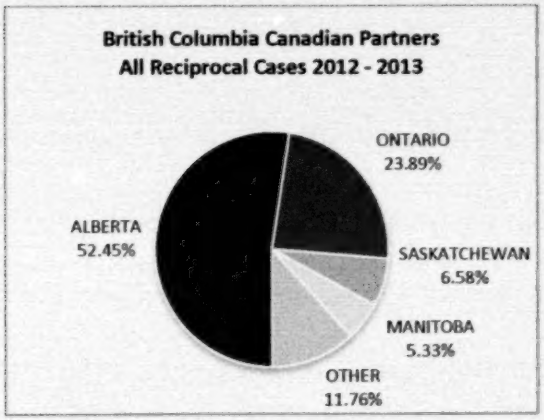
AFRICA	PACIFIC OCEAN
Republic of South Africa	Australian Capital Territory
Republic of Zimbabwe	New South Wales
EUROPE	Northern Territory
Republic of Austria	Queensland
Czech Republic	South Australia
Federal Republic of Germany	Tasmania
Gibraltar	Victoria
Kingdom of Norway	Western Australia
Slovak Republic	Fiji
Swiss Confederation	Independent State of Papua New Guinea
United Kingdom	New Zealand (including Cook Islands)
ASIA	**CARIBBEAN**
Special Administrative Region of Hong Kong,	Island of Barbados and its Dependencies
Republic of Singapore	

**Interjurisdictional Support Orders Regulation, BC Reg 15/2003*

The largest percentage of the FMEP's reciprocal cases involve a parent living in another province or territory in Canada – this number has remained almost unchanged from last year at just under 88.5 percent of the overall reciprocal caseload. A further 9.5 percent of cases are in the United States and the remaining two percent of cases involve a parent living outside Canada and in a country other than the United States.

Not surprisingly, the FMEP's largest partners for support enforcement in Canada and the United States are those jurisdictions closest to British Columbia. In the United States the largest partners for British Columbia are along the west coast. These 'pacific partners' are made up of Washington State, Oregon and California. These three states account for almost one-half (49.6 percent) of all U.S. cases enrolled with the FMEP. Washington State is British Columbia's largest U.S. partner; almost one-third of the US caseload is from that state alone.

Within Canada, almost two-thirds (64.4 percent) of the Canadian reciprocal caseload involves parents living in the provinces of Alberta, Saskatchewan and Manitoba. Alberta alone accounts for over 50 percent of FMEP cases outside British Columbia.



*64 percent of cases from western Canada

*49.6 percent of cases from US Pacific partners

2.8 *Government Fee Cases*

Government fee only cases are those cases where the FMEP is only collecting a fee owed to the government. The fee is collected after all maintenance owing on the case, including arrears of unpaid support and interest, is paid.

As a percentage of the overall caseload the number of fee-only cases is now just 2.77 percent of all cases. 2012-2013 was the sixth year in a row that the FMEP reduced the size of this caseload. The FMEP started with a caseload of over 10,000 fee-only cases in 2006-2007, and that number was reduced to just 1,228 at the end of 2012-2013.

3. FMEP Clients

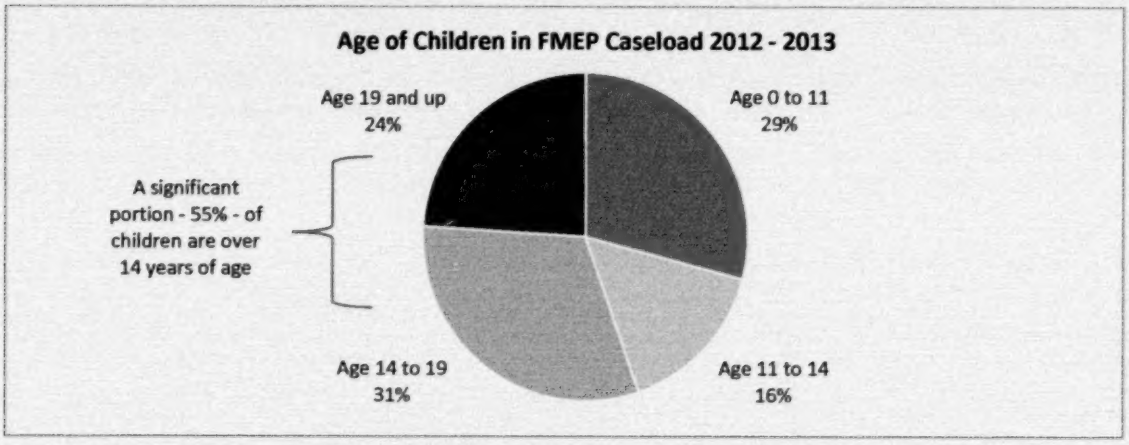
The section provides information about the clients and children that make up the families that are served by the FMEP.

3.1 *Children*

As of March 31, 2013, there were 63,675 children receiving maintenance from the FMEP. Most cases involve one or two children in a family, just over 88 percent of all cases. Approximately nine percent of cases have three or more children receiving maintenance.

The FMEP is a program that supports older children. Fifty-five percent of the children on the caseload are more than 14 years old, and almost one in four children are more than 19 years old. The continued collection of child support for these older children is critical to ensuring that the children are able to finish their schooling and successfully transition into the workforce.

The chart below shows the ages of children receiving support through the FMEP.


Age of Children in FMEP Caseload 2012 - 2013
Age 19 and up
24%
Age 0 to 11
29%
A significant portion - 55% - of children are over 14 years of age
Age 14 to 19
31%
Age 11 to 14
16%

3.2 *Recipients*

There are 41,354 recipients collecting child or family support through the FMEP. These recipients and their families live in the more urban areas, reflecting the overall geographic distribution of families in British Columbia. Twenty percent of recipients live in Surrey, Victoria or Vancouver. As would be expected for families with teenage children, most recipients are in their late 30's and early 40's with an average age of 42 years. Many of the recipients enrolled with the FMEP have re-partnered, and in cases where subsequent relationships break up, these recipients may have more than one case or order enrolled with the FMEP. In 2012-2013, there were 1,597 recipients who had more than one case enrolled for enforcement with the FMEP.

3.3 *Payors*

Maintenance payors share many of the same demographic characteristics as maintenance recipients. Surrey, Vancouver and Victoria account for twenty percent of the paying parents as well. Interestingly however, there are more payors living in the cities of Edmonton and Calgary (combined) than there is living in Kelowna or Abbotsford. This is not surprising given that just over one in five cases enrolled with the FMEP is an out-of-province case.

Maintenance payors tend to be slightly older than maintenance recipients. The average age of a maintenance payor in the FMEP is 44 years.

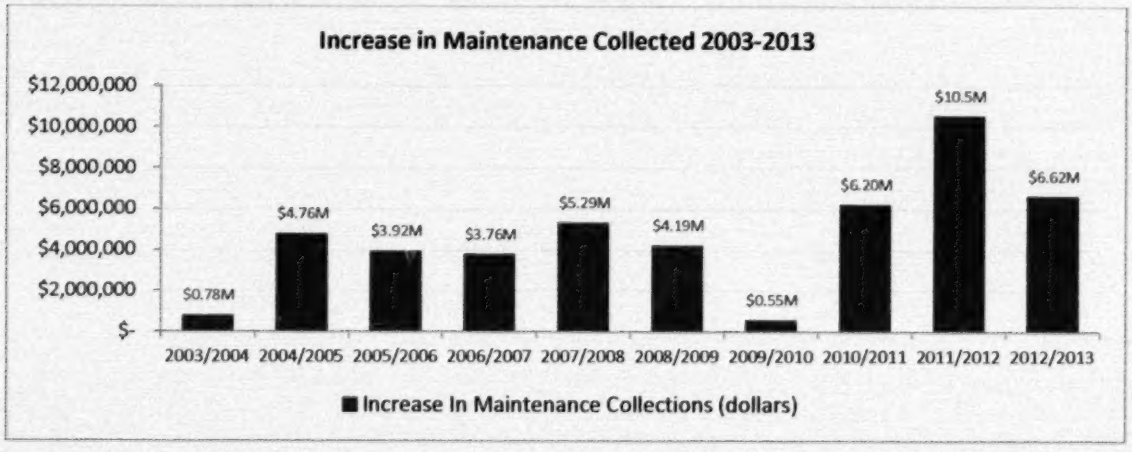
3.4 *Payors in Receipt of Income Assistance*

An increasing number of payors on the FMEP caseload are in receipt of income assistance. As the chart below illustrates, the percentage of payors who are in receipt of income has grown steadily over the past five years. This is obviously a concern in terms of the ability of these parents to support their children, and reflects the reality that many parents on the FMEP caseload, both payors and recipients, are of very limited means.

Fiscal Year	Number of Payors	% of Payors in BC on IA
2008/2009	3721	9.81%
2009/2010	3796	9.87%
2010/2011	4584	11.83%
2011/2012	4718	12.31%
2012/2013	4674	12.36%

4. Family Support Outcomes

The 2012-2013 year was another record year for maintenance payments collected by the FMEP. The total amount collected increased by over $6.62 million to $196,818,576. The chart below shows the increase in annual collections for the past 10 years.

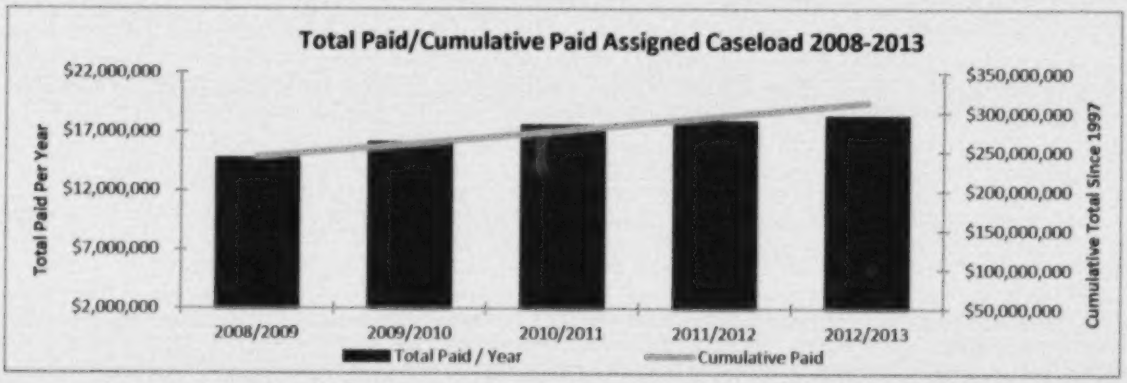


The increase in maintenance is particularly significant given the fact that over the past 10 years the FMEP caseload has actually decreased by 3,323 cases, while the total amount collected has increased by over $46.5 million. This increase means that each family is now receiving more maintenance, making a significant difference to the well-being of children and families. On average, each family receiving funds from the FMEP received $5,367 over the course of the year.

4.1 *Collections on Assigned Cases*

The maintenance payments received by clients who are in receipt of income assistance are an important factor in helping those clients become self-sufficient. The funds received also offset the cost to government of providing income assistance and ensure that parents meet their responsibilities to provide for their families.

The percentage of FMEP clients in receipt of income assistance, as noted above, has declined steadily over the past 10 years. Despite this decline, however, the total funds collected for these clients has risen. In 2012-2013, $18,368,965 was recovered for clients in receipt of income assistance, bringing the cumulative total of funds received for income assistance clients to over $300 million. This steady increase in collections for some of the lowest income families in the Province is shown in the graph below.



4.2 *Interest*

British Columbia continues to be a leader in this area of maintenance enforcement. Since 1997 interest has been added to outstanding arrears to ensure that all debt obligations are treated equally and fairly. In the last fiscal year, the FMEP collected and distributed over $2.4 million dollars in interest to British Columbia families.

4.3 *Collections on Reciprocal Cases*

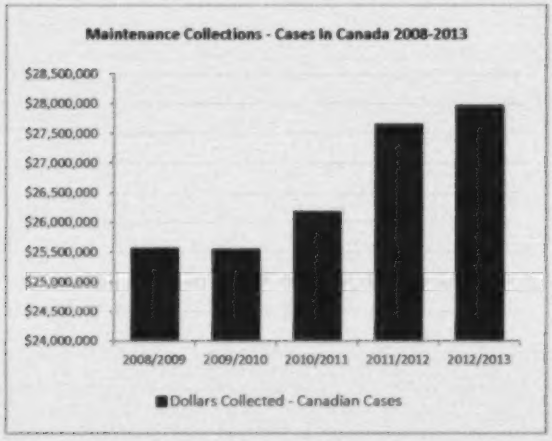
The funds that the FMEP collects for families where one parent resides out of British Columbia are an important reflection of the Program's commitment to help all families. Over the last five years over $151.4 million dollars has been collected for these cases.

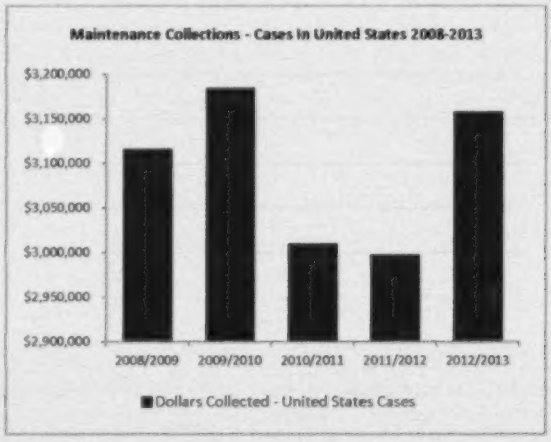
Working closely with our domestic and international partners, the FMEP collected and sent $58 million to children and families outside of British Columbia, and our partners collected and sent over $93.4 million for children and families in British Columbia. This created a net inflow of $35.4 million dollars into the province over the five year period. The disparity between the two amounts is the result of the larger caseload of payors who work and live outside of British Columbia, primarily in the province of Alberta.

Within Canada, Alberta is British Columbia's largest partner. Together we share over 4,100 cases – collections on these cases amounted to $5.3 million for families in Alberta, and $10.8 million for families in British Columbia.

Outside Canada our largest single partner is the State of Washington. In 2012-2013, the British Columbia FMEP sent over $395,000 to families in Washington State and British Columbia families received almost $574,000 from maintenance payors living in Washington State.

The total collections for cases for families within Canada and for families with a US parent are shown in the two graphs below.



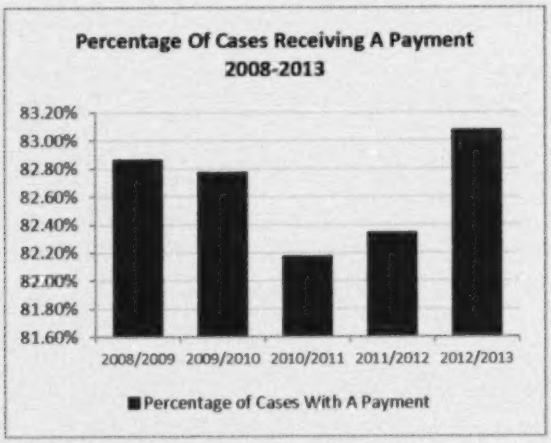


The FMEP and its Canadian partners have had increased collections for the past three fiscal years. Collections are now just under $28 million dollars, despite the static size of the caseload. Collections with our United States partners declined slightly in 2010-2012 but increased again last year to over $3.1 million collected.

The international caseload (not including the United States) makes up a small portion of the overall FMEP caseload, numbering less than 200 files. As noted in the figure to the left, cases shared with partners in the Commonwealth make up the majority of these cases. The United Kingdom, Australia and New Zealand make up almost 73.5 percent of all the international cases, and accounted for over $388,000 in collections this year.

4.4 *Collection Rates and Arrears*

One of the key performance metrics for the FMEP, in terms of measuring the impact that maintenance can have for families, is the percentage of enrolled cases that received a payment over the course of the year. The FMEP strives to help as many families as possible, understanding that it is important to allocate resources across all cases, not just those cases where payments may be easier to collect. The FMEP first started measuring this number in 2007-2008 and since that time has consistently collected maintenance each year on over 82 percent of its cases.



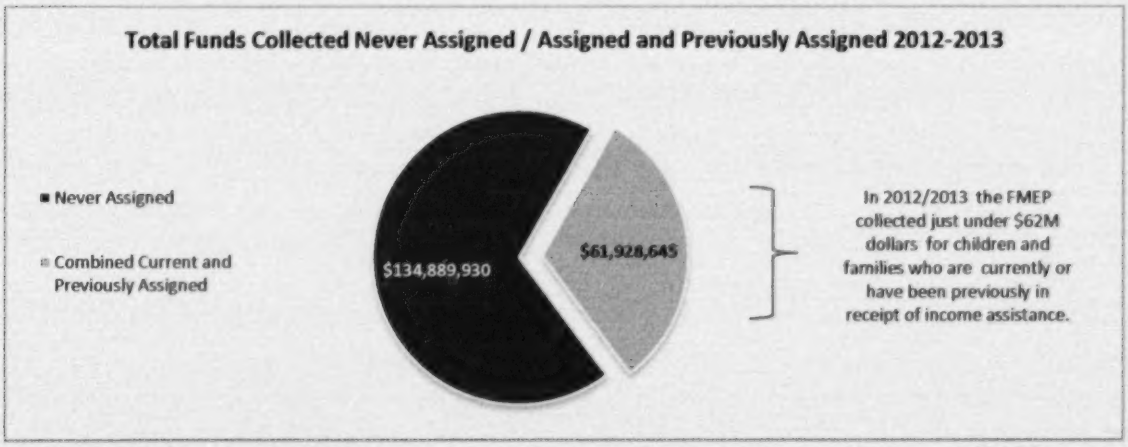
4.5 *Payments to Clients No Longer in Receipt of Income Assistance*

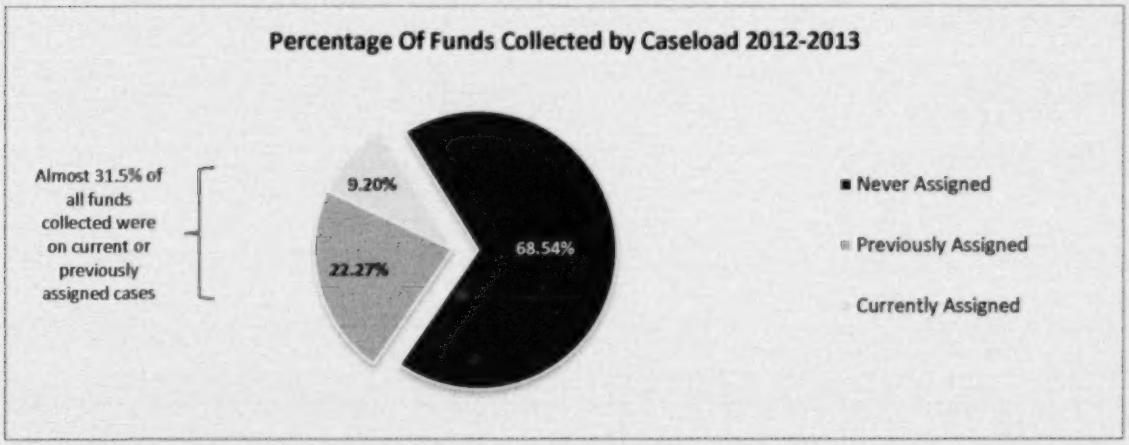
For the first time, in 2011-2012, the FMEP tracked payments to those clients that had received income assistance in a previous year, but were no longer in receipt of assistance. For many of these families, the maintenance received is a critical part of the overall household income. For example, for families where the household income is $18,000 annually, child support of just $250 per month will make up over 14 percent of the total household income.

The importance of child support to families of modest means is shown in the chart below.

Household Income Level	Monthly Child Support Amount		
Income Level	**$250/month $3000/year**	**$350/month $4200/year**	**$450/month $5400/year**
Baseline Income $18,000	$21,000	$22,200	$23,400
Percentage of Income From Child Support	14.29%	18.92%	23.08%
Baseline Income $20,500	$23,500	$24,700	$25,900
Percentage of Income From Child Support	12.77%	17.00%	20.85%
Baseline Income $23,000	$26,000	$27,200	$28,400
Percentage of Income From Child Support	11.54%	15.44%	19.01%
Baseline Income $25,500	$28,500	$29,700	$30,900
Percentage of Income From Child Support	10.53%	14.14%	17.48%
Baseline Income $28,000	$31,000	$32,200	$33,400
Percentage of Income From Child Support	9.68%	13.04%	16.17%

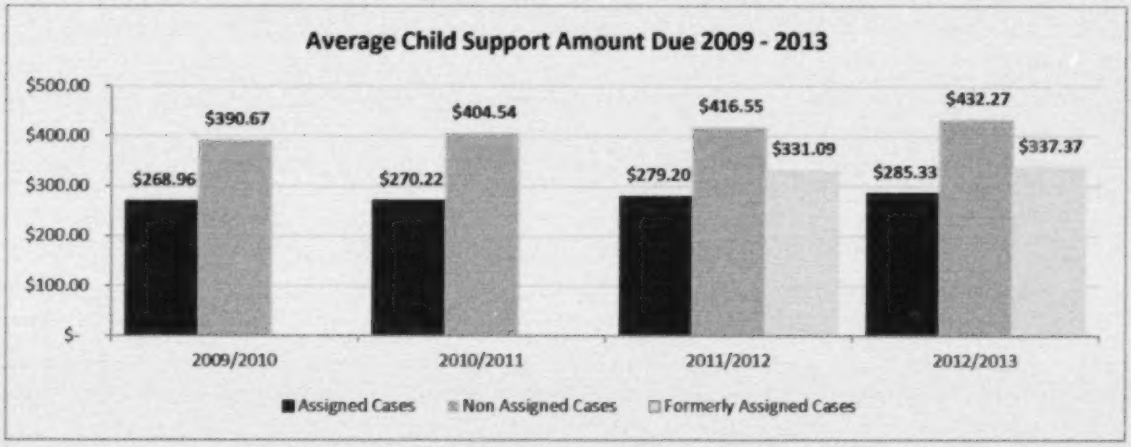
Many of the families formerly on income assistance fall into these ranges of household income. As a group, in 2012-2013, almost $62 million was received by these families, representing 22 percent of the total funds collected by the FMEP.


Total Funds Collected Never Assigned / Assigned and Previously Assigned 2012-2013
Never Assigned
Combined Current and Previously Assigned
$134,889,930
$61,928,645
In 2012/2013 the FMEP collected just under $62M dollars for children and families who are currently or have been previously in receipt of income assistance.



4.6 *Child Support Orders*

The average amount due each month for child support has increased steadily over the past five years. As the chart below shows, the monthly amount of child support due is lower for cases where the recipient is currently in receipt of income assistance, or has been at some time in the past. In terms of importance of the support to families, it is worth noting that in 64 percent of the cases, the amount per month is for the support of one child only. In 24 percent of FMEP cases, the amount supports two children, and in nine percent of the cases the amount supports three children.



4.7 *Fees Recovered For Government*

Under British Columbia law, an annual fee equivalent to one month of maintenance, to a maximum of $400, may be charged to payors who either miss or are late on two payments in a calendar year. These fees are collected after all maintenance owed to the recipient, including interest and arrears, is paid in full.

These fees offset the cost of the FMEP and, together with the funds received for clients in receipt of income assistance (assigned cases), help the FMEP to remain cost-neutral to government, as the amount recovered for the government exceeds the cost of operating the FMEP. During 2012-2013 the FMEP collected just under $1.7 million in fees, slightly more than the amount collected in 2011-2012. When combined with the $18.3 million collected for assigned cases, the FMEP was cost-neutral to government for the fifth consecutive year.

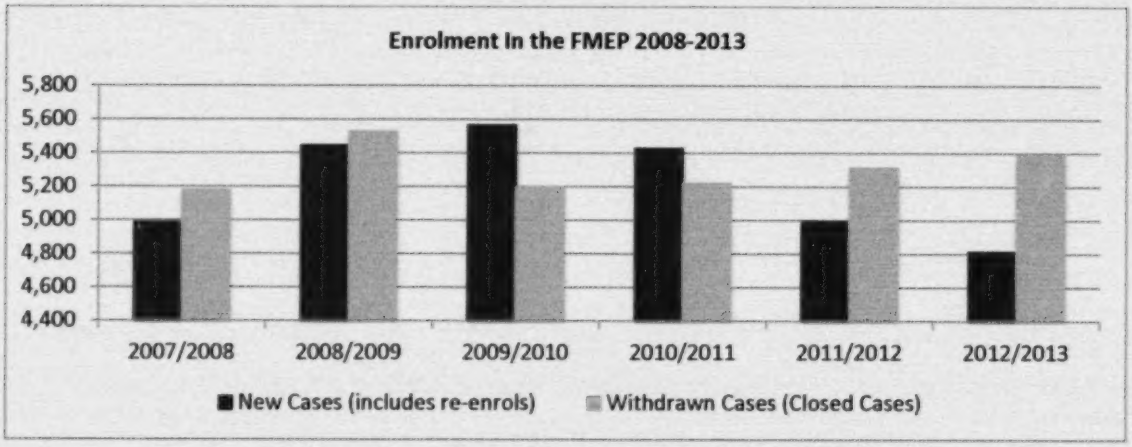
Collections - Fee Cases Last 5 Years	
Fiscal Year	**Total Collected**
2008/2009	$ 2,009,747
2009/2010	$ 1,971,913
2010/2011	$ 1,584,130
2011/2012	$ 1,680,195
2012/2013	$ 1,692,108

Since the fees were instituted in 1997, over $15.4 million dollars has been collected for the government.

5. Program Operations

5.1 *Enrolment*

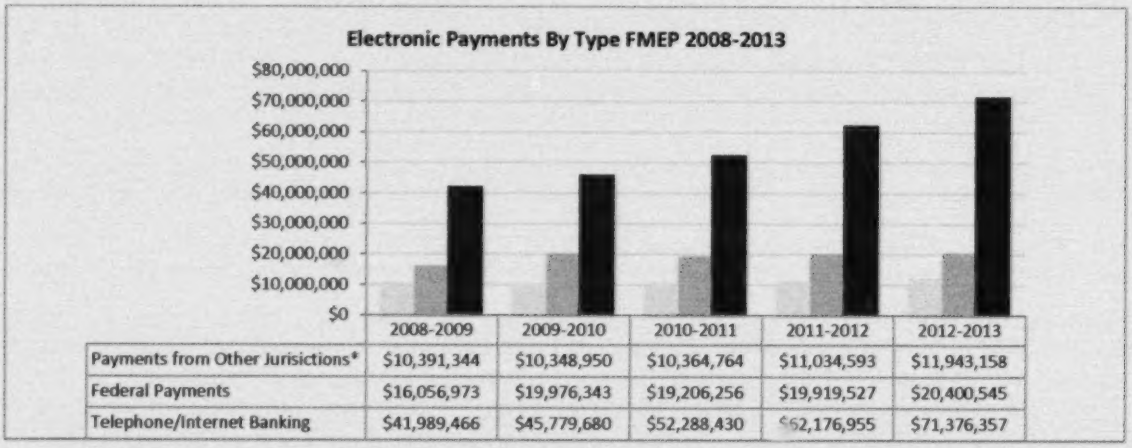
Although the FMEP caseload has remained very stable over the past five years, every year there is a significant turnover of cases. As the chart below shows, each year close to 5,000 new cases are opened (including some cases that had been closed but re-opened) and over 5,000 cases close or are withdrawn because the maintenance has been fully paid or the parties no longer require the FMEP's services.



5.2 *Payment Processing*

Ensuring that incoming maintenance payments are promptly and accurately transferred to clients is a critical component of FMEP operations. Each day, the FMEP processes approximately 2,277 payments. In 2012-2013, there were 564,712 payments processed by payment processing staff in the organization. Over the past five years, an increasing proportion of payments to the Program, as well as the distribution of those funds to recipients, has been through electronic payment channels. These payments are much more efficient to process and allow the FMEP to transfer funds securely and quickly to families.

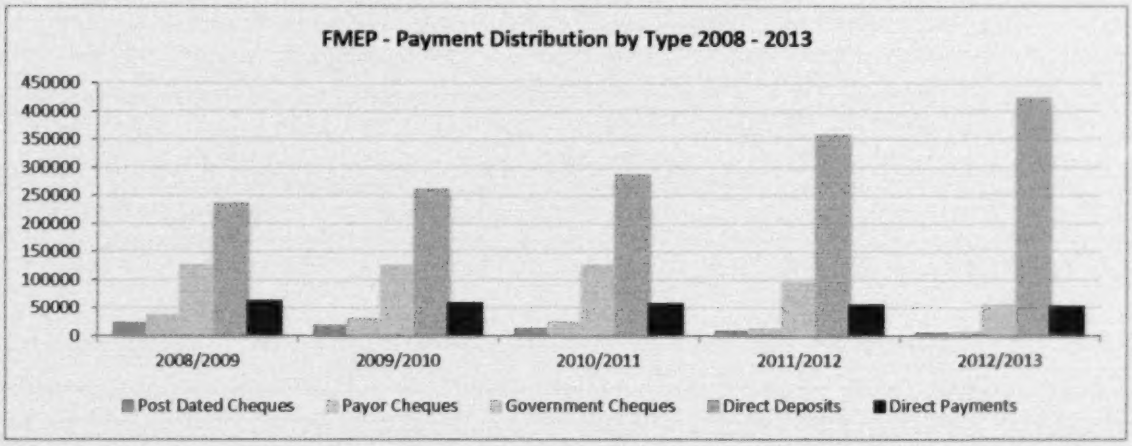
On the incoming side, the FMEP has seen a significant increase in payments through telephone and internet banking by individual payors. Almost 36 percent of the total payments made to the FMEP were made in this way. The amount sent by this method is almost 70 percent higher than it was five years ago. Similarly, payments from the Federal government and other reciprocating jurisdictions are also transferred electronically, enhancing the efficiency of the FMEP. The chart below illustrates these trends.

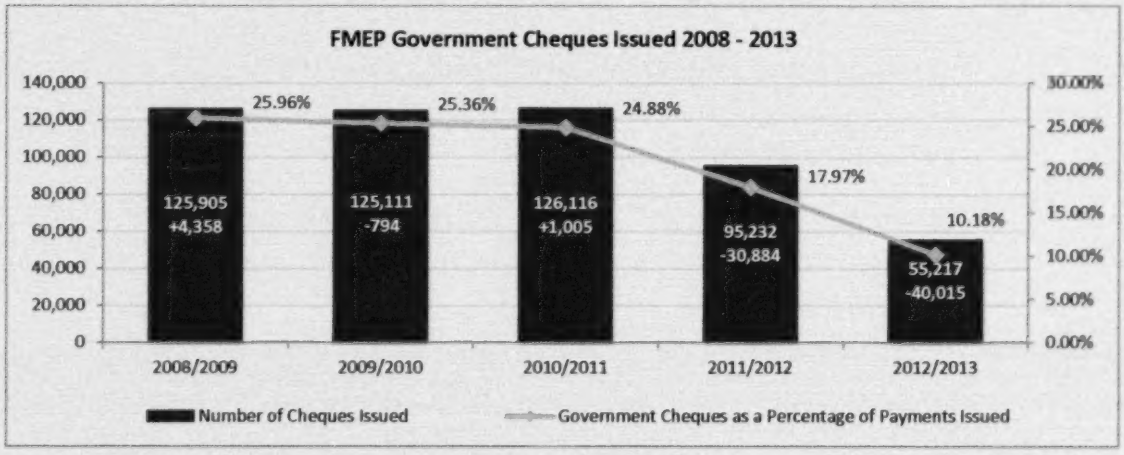


	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013
Payments from Other Jurisictions*	$10,391,344	$10,348,950	$10,364,764	$11,034,593	$11,943,158
Federal Payments	$16,056,973	$19,976,343	$19,206,256	$19,919,527	$20,400,545
Telephone/Internet Banking	$41,989,466	$45,779,680	$52,288,430	$62,176,955	$71,376,357

*Not all jurisdictions were able to send payments electronically until 2011, so this total includes some cheques.

Equally importantly, the FMEP has significantly improved its ability to get payments to recipients quickly and securely by encouraging recipients to receive their payments by way of direct deposit into a bank account. The transfer of funds in this way has largely replaced the issuing of government cheques, much as internet banking has replaced the payors use of personal cheques. These trends are shown in the charts below.





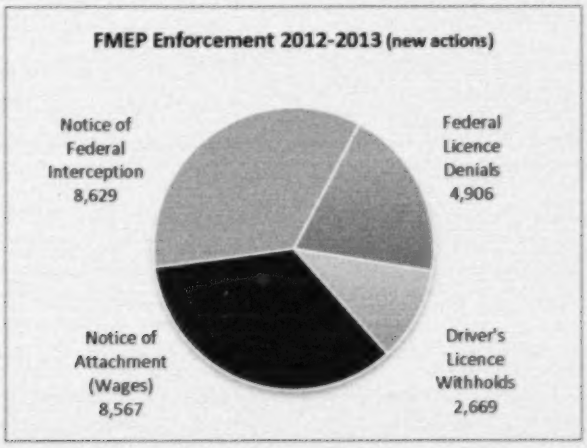
In the past two years alone the FMEP has sent 70,000 fewer higher cost government cheques in the mail to clients. These payments are now sent quickly and efficiently through direct deposit.

5.3 *Enforcement*

Where maintenance payments are not made voluntarily, the FMEP will issue various types of enforcement to collect the unpaid maintenance. Court enforcement (taking a payor to Court to explain why payments are not being made) is generally only used as a last resort. In most cases the unpaid maintenance can be recovered using non-Court processes such as the interception of wages or other types of payments, or through the restriction of licenses and privileges, such as a passport denial.

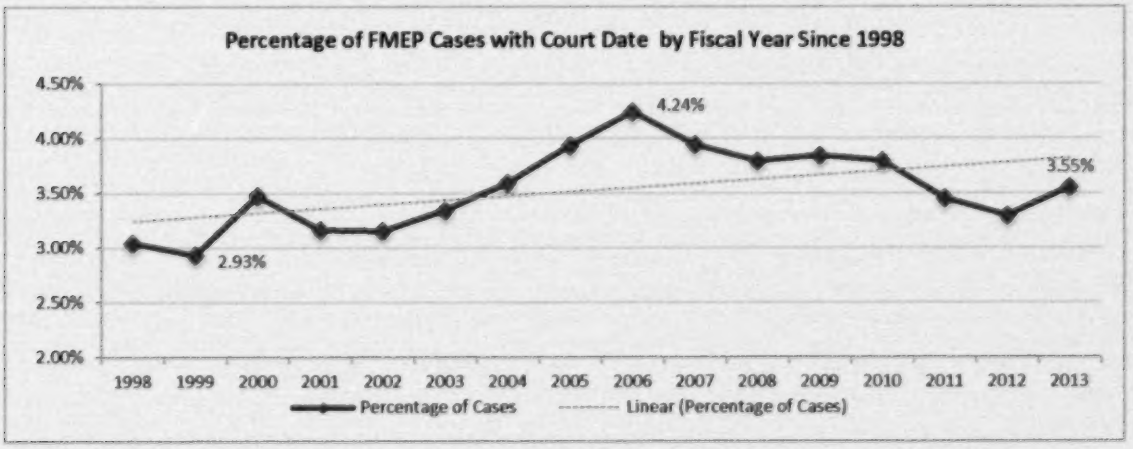
5.4 *Administrative Enforcement*

At any given time in 2012-2013, the FMEP had over 23,000 wage attachments in place to collect unpaid maintenance from wages or salary being paid to payors. Attachments on bank accounts are also a very frequently used enforcement measure, with between 2,000 and 3,000 bank attachments issued each month. There were over 10,000 drivers licence restrictions in place in 2012-2013 and almost half of FMEP cases had an interception of federal funds, such as income tax monies or employment insurance, in place. The chart below shows some of the most frequently used administrative enforcement measures.


FMEP Enforcement 2012-2013 (new actions)
Notice of Federal Interception 8,629
Federal Licence Denials 4,906
Notice of Attachment (Wages) 8,567
Driver's Licence Withholds 2,669

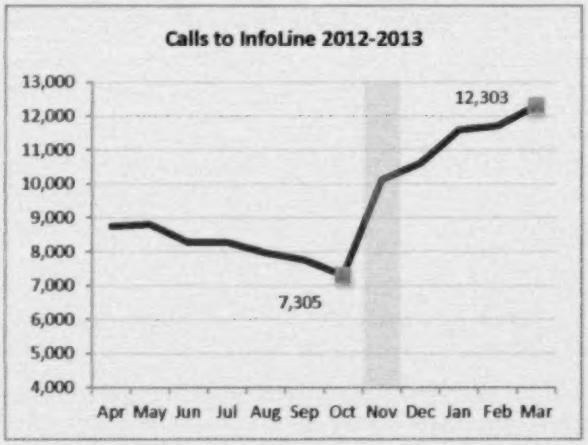
5.5 *Court Enforcement*

Where administrative enforcement has not been successful in recovering amounts of unpaid maintenance, the FMEP may choose to bring a payor to Court to explain why he or she has not paid the amount required under the maintenance order. At year end, there were fewer than 1,000 cases before the Court in British Columbia. This number represents just over 3.5 percent of the caseload. The percentage of cases going to Court has remained very stable over the past years as shown in the graph below.



5.6 *Client Service and Communications*

The FMEP places a high priority on ensuring that its clients receive excellent customer service. Not only does this ensure that families and clients experience prompt, professional and courteous service from the FMEP, but good customer service also improves the overall collection of maintenance. The key elements of our customer service are the automated telephony solutions, the FMEP website and our call centre operations.



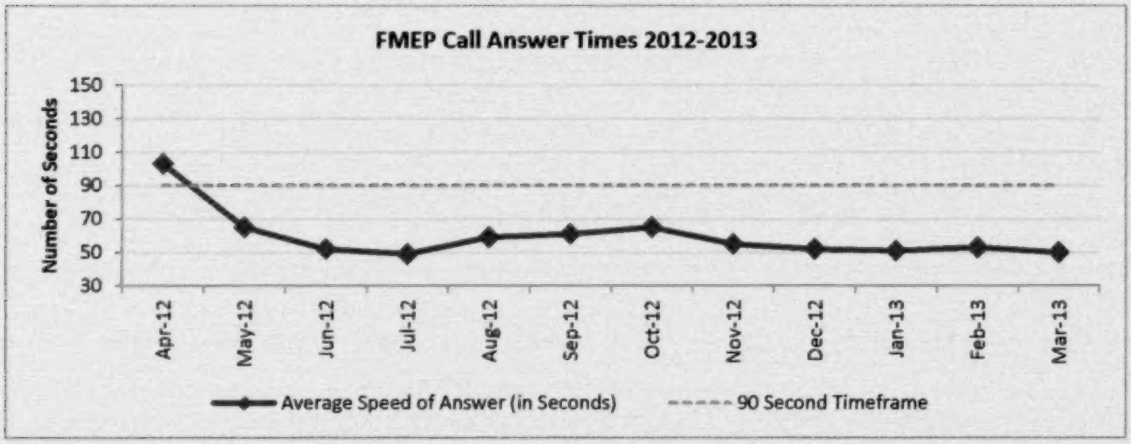
With respect to telephony, significant changes were implemented to our automated system in 2012. The automated service, introduced over a decade ago, had not substantially changed in its format since its introduction. In that time the use of the service by clients had dramatically dropped. In November, a new InfoLine was implemented to streamline the client experience and to provide more current and up to the minute financial information. These changes made the service much more useful for clients and the monthly usage of the automated service has almost doubled since the changes were introduced. In addition to this the number of follow up calls "callbacks" that clients needed after using the service declined by over 30 percent, confirming that the information now available largely provides the information that clients need.

In addition to the information available to clients through the automated telephone service, the FMEP website (www.fmep.ag.gov.bc.ca) is also an important means for clients to access information about their cases and to easily and securely contact the FMEP. The FMEP website was accessed just under one million times in 2012-2013 by clients seeking information or wanting to communicate with the FMEP.

In 2012-2013 over 24 percent of recipients used the FMEP website to report payments or address changes, receive an updated account balance or statement, find out what enforcement actions were underway or to send a message to the FMEP. Payor usage is lower – just under five percent of payors use the website.

The FMEP website was put in place almost 12 years ago. In 2012-2013 an initiative to redesign the website to provide enhanced functionality, including real time access to case information was started. The new website should go live in the next fiscal year, and is expected to result in a marked increase in usage by all clients.

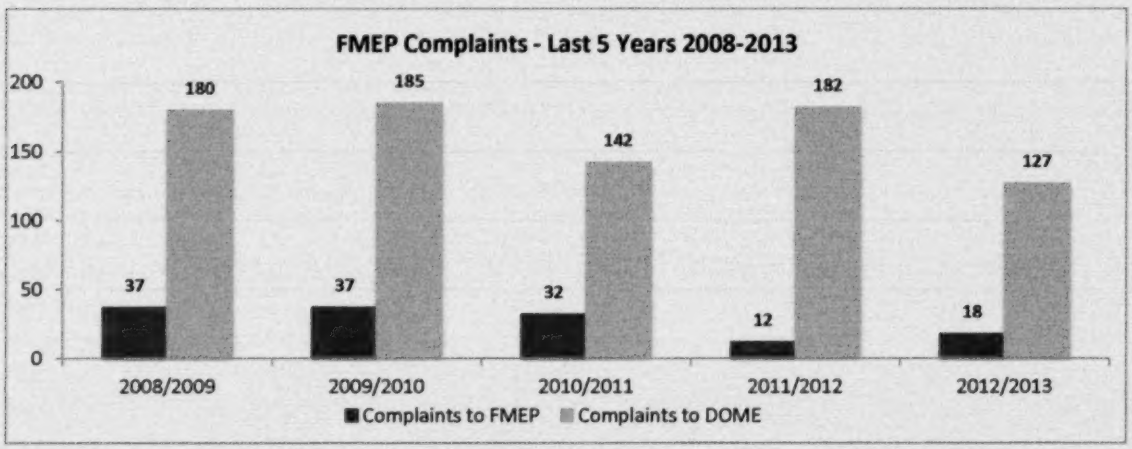
The third component of client service is the FMEP's call centre. Each of the three offices has a call centre; together the three call centres answer over 16,000 calls per month. The FMEP is committed to answering calls within a 90 second timeframe. As the graph below indicates, the target was met consistently throughout 2012-2013.



A final service that enhances the FMEP's customer service approach is the Program's outreach to clients through the Province's Family Justice Centres in the Lower Mainland, Nanaimo and Kelowna. An enforcement officer from the FMEP is available on a limited basis in these areas to meet with clients referred by Family Justice Counsellors to provide information and assistance on FMEP cases. In 2012-2013, the outreach officers had over 2,200 appointments with clients.

6. Client Service and Complaints

The FMEP's focus on good customer service is reflected in the very low number of complaints from clients and enquiries from others on their behalf, such as MLA's and the Ombudsperson. Complaints to the FMEP and to the office of the Director of Maintenance Enforcement are tracked. As the graph below shows, a total of 145 complaints were received last year. Given the caseload size of 45,000 cases, this low number confirms the effective working relationship that the FMEP has built with its clients.



7. Program Initiatives

The FMEP continues to evolve and enhance its services for clients and the many partners, such as employers, that the Program must deal with in order to successfully recover child support. In 2012-2013, the FMEP completed a number of successful initiatives including the following:

Improving exchange rate conversion on foreign orders

Following the introduction of changes in British Columbia law, the FMEP began to regularly update the exchange rate used to convert foreign orders into Canadian dollars for the purpose of enforcement. Updating of the exchange rate on an annual basis will assist the FMEP to collect the full amount due under these orders, ensuring that families in other countries receive the amount that they are entitled to. In implementing this change, British Columbia became the first jurisdiction in Canada to adopt legislation and procedures to address the long-standing problem faced by many foreign recipients who are receiving less than the Court ordered amount, due to exchange rate fluctuations.

Introduction of electronic submission of documents to the Land Titles Office

In 2012-2013 the FMEP adopted new processes to allow for the electronic submission of orders to the Land Titles Office, reducing the time taken by the Land Titles Office to process the documents and supporting that office's efforts to reduce paper processing.

Joint project with Mediate BC to provide free mediation services

The FMEP partnered with Mediate BC, a not-for-profit mediation organization in British Columbia, to offer free mediation to FMEP clients who wished to use mediation to resolve issues concerning the ongoing support for children over the age of majority. Parents using the service had the assistance of a mediator to jointly develop a plan for the eventual independence of the child, including an education plan for post-secondary education and the support of the child through the final years of education. The project was unique in its approach to using distance mediation to accommodate parents living in different cities and in using a model of mediation that provided the parents with both legal advice and information as to their obligations to provide continuing support for a child over the age of majority, as well as mediation to help the parents reach a satisfactory resolution of their issues.

Improving international child support

Although international cases only make up a small percentage of its caseload, the FMEP is committed to working with its international partners to help improve communications, streamline enrolment processes and promote the transfer of funds internationally by electronic means. To further this effort, representatives from the FMEP and the Ministry attended an international conference, the first of its kind, in Heidelberg Germany in March 2013. Our representatives met with over 250 delegates from around the world representing most of Europe, North and South America, Asia and Africa and worked on ways to improve the processing of international child support cases.

Technology and infrastructure improvements

As noted above, the FMEP is in the process of redeveloping its website to better serve clients and other partners. In addition to the interactive voice response telephony changes also described above, in 2012-2013, the FMEP also started a project to convert its ageing phone infrastructure. This change, expected to be completed in 2013-2014 will also provide some much needed improvements to the handling of the 22,000 calls per month made or received by the Program.

7.1 *Staff and Program Cost*

The total number of FMEP staff remained stable at 205 across the three offices. The total cost of the FMEP (including the increased funding received during the year) was $17,808,071 with just over $11 collected for each dollar invested in the Program.

8. Outlook for 2013-2014

The 2013-2014 year will be the FMEP's 25th year of operation. Over the year, the FMEP expects to reach an important collection milestone – a total of $3 billion collected since the Program started.

We are looking forward to the implementation of the new phone system and the new FMEP website. We believe these improvements will enhance our ability to better serve our clients.

As always, we recognize that our success is largely the result of the commitment by many parents enrolled in the FMEP to support their children and live up to their obligations. It is through the efforts of these parents to provide the support to their families that we are able to help the many, many children who depend upon child support in British Columbia, the rest of Canada and around the world.